

WORKFORCE OBSERVATIONS FOR SOUTH CENTRAL WISCONSIN COUNTIES

September 2001



State of Wisconsin
Department of Workforce Development

Note: This publication, *Workforce Observations*, replaces the *Labor Market Review*, which was previously known as the *Employment Review*.

Labor force decreases mask lackluster August

Between July and August, the national unemployment rate rose 0.2 percent (from 4.7% to 4.9%). Meanwhile, Wisconsin's rate fell 0.5 percent, the South Central Workforce Development Area's rate fell 0.3 percent and Dane County's rate fell 0.2%. Of eight Wisconsin Counties reporting increased unemployment rates, none were in the South Central region. All six Counties in South Central Wisconsin experienced a fall in the unemployment rate and a decline in the labor force. Although two Counties experienced small gains in the number of jobs, the overall number of jobs in the region fell by roughly 400.

From July to August, the number of employed persons in South Central Wisconsin fell by roughly 5,400 and 3,400 of those people were in Dane County. This is well above Dane County's typical August shedding of 1,500 to 2,500 employed people. Much of the fall in Dane County's and South Central Wisconsin's labor force and employed persons could ordinarily be attributed to students and seasonal workers leaving the labor force or leaving the area. (Dane County is expected to be more student-oriented while other counties probably attracting more workers for seasonal agricultural or tourism work.)

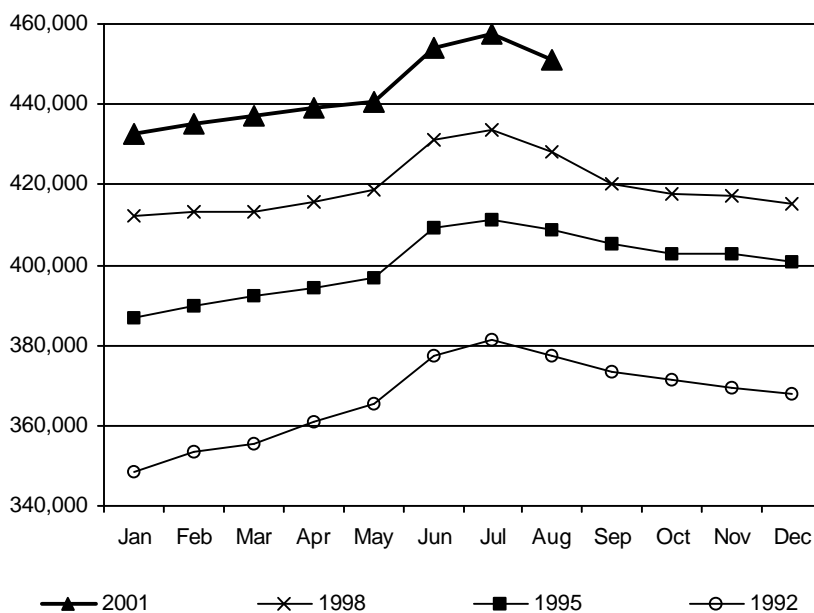
Of the six counties in South Central Wisconsin, Marquette County saw the steepest proportional decline in its unemployment rate, dropping nearly a full percentage point from 5.5 percent in July to 4.7 percent in August. Columbia and Dodge Counties were close be-

hind, both experiencing 0.7 percent declines in their unemployment rates. This is particularly welcome news for Dodge County, which has felt the pinch of the manufacturing slowdown and significant cutbacks at a local manufacturer of agricultural and construction equipment. Dodge County's August gain in manufacturing was smaller than the June gain or the July gain, and still left Dodge County with 800 fewer manufacturing jobs than it had last August. Moreover, this August increase was about a third of the typical August increase in manufacturing jobs that Dodge County has experienced in years past.

Dane County (also called the Madison Metropolitan Statistical Area), lost 200 construction jobs (1.4 percent of them), which is slightly higher the ordinary August reduction of about 100 construction jobs (or 1 percent). Also shedding 200 jobs (0.7%) in August, the manufacturing sector typically gains about 200 jobs (0.7%) during this time. Retail trade had been unusually re-

silient in the recent slowdown, but began to show signs of softness in August, by gaining roughly 250 jobs (0.5%) at a time when it typically gains closer to 450 jobs (1.0%). Students going back to school may create job openings and increase retail sales, but they do not explain why retail trade did not experience its usual August increase in Dane County or in South Central Wisconsin. With 8,800 more jobs this August than last August, South Central Wisconsin's economic news may be lackluster, but is not gloomy.

South Central Wisconsin labor force



The events of September 11th will have some economic impact in coming months, but the August data reported here do not give insight into what the impact might be. September data and October data will not show the long-term trajectory of economic responses.

Modern military equipment production is less labor-intensive than it was in generations past, so a military campaign would not necessarily create as many jobs as it might have decades ago. If the workforce is more

specialized than before and employees are less interchangeable than before, then businesses could be more disrupted if the military calls upon reserve personnel. It will probably be a matter of months rather than weeks before consumers', investors' and travelers' routines become predictable again.

August 2001 Estimates	Wisconsin	South Central WDA	Madison MSA	Columbia County	Dodge County	Jefferson County	Marquette County	Sauk County
Civilian Labor Force*	3,079,100	450,800	277,300	29,000	51,000	45,400	7,500	40,600
Employed	2,957,900	439,500	272,300	27,900	48,700	43,900	7,200	39,600
Unemployed	121,300	11,300	5,000	1,100	2,400	1,500	400	1,000
Unemployment Rate (%)	3.9	2.5	1.8	3.8	4.7	3.3	4.7	2.5
Total jobs, all industries**	2,850,800	438,300	296,100	21,900	36,700	39,000	4,000	40,700
Construction & Mining	140,300	22,900	15,100	1,200	2,400	1,400	400	2,400
Manufacturing	596,000	71,100	30,200	5,700	13,400	13,100	1,300	7,500
Transport & Public Util.	134,400	14,800	10,000	800	1,200	1,700	100	1,000
Wholesale Trade	139,800	18,600	13,300	800	1,100	1,500	100	1,800
Retail Trade	506,800	77,600	50,000	5,000	5,200	7,300	800	9,200
Finance, Ins. Real Estate	153,800	26,400	23,100	400	900	800	100	1,100
Services	799,600	117,200	81,800	5,100	7,600	9,300	600	12,700
Government	380,100	89,800	72,600	3,100	4,800	3,800	500	5,000
Change From July 2001								
Civilian Labor Force*	-48,400	-6,900	-4,000	-400	-800	-900	-100	-700
Employed	-31,600	-5,400	-3,400	-200	-400	-800	0	-600
Unemployed	-16,700	-1,500	-600	-200	-400	-100	-100	-100
Unemployment Rate (%)	-0.5	-0.3	-0.2	-0.7	-0.7	-0.2	-0.8	-0.1
Total jobs, all industries**	-3,200	-400	-100	100	100	-300	0	-200
Construction & Mining	-600	-200	-200	0	0	0	0	0
Manufacturing	-1,800	100	-200	100	100	0	0	100
Transport & Public Util.	600	0	-100	0	0	0	0	0
Wholesale Trade	500	-100	0	0	0	0	0	0
Retail Trade	2,600	200	300	0	0	-100	0	0
Finance, Ins. Real Estate	-400	100	100	0	0	0	0	0
Services	400	0	100	0	0	0	0	-200
Government	-4,500	-400	-100	100	-100	-200	0	0
Change From August 2000								
Civilian Labor Force*	146,000	17,900	12,300	1,100	200	1,500	300	2,400
Employed	76,100	16,600	11,600	1,000	400	1,000	300	2,300
Unemployed	21,600	1,300	700	100	-200	500	100	100
Unemployment Rate (%)	0.6	-16.7	0.2	0.2	-0.3	0.9	0.5	0.1
Total jobs, all industries**	-6,500	8,800	8,000	300	-800	0	-100	1,400
Construction & Mining	-900	100	200	0	0	0	0	-100
Manufacturing	-29,300	-2,300	-1,400	0	-800	-200	0	100
Transport & Public Util.	1,600	100	100	0	0	0	0	0
Wholesale Trade	-1,500	200	100	0	0	0	0	0
Retail Trade	2,100	2,000	1,100	200	100	0	0	600
Finance, Ins. Real Estate	3,600	900	900	0	0	0	0	0
Services	15,300	4,700	3,900	300	100	200	0	200
Government	2,500	3,200	3,100	-100	-300	100	-100	500

* Includes participants residing in area. **Includes employment with employers located in area. Estimates NOT seasonally adjusted.
Current month estimates are preliminary. Sub-units may not add to totals due to rounding. Calculations based on unrounded numbers.

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